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MEMORANDUM FOR THE RECORD

SUBJECT: Meeting With [WUSLAB/1] on 10 April 1970

2. Production: [WUSLAB/1] said that Jose Raul Viera Linares had phoned him at his home at about 1100 on 8 April. Viera said that a friend had described to him an acquaintance who had had an eye problem similar to [WUSLAB/1] (or words to that effect), and that Viera now realized the seriousness of the case and that [WUSLAB/1] would not be able to travel. Viera said that the chances were now remote that he would be returning to New York. A friend of his named "Rogelio" would contact [WUSLAB/1]. He did not say when or where, but it would be when circumstances permit. [WUSLAB/1] asked if Viera might be assigned to another foreign country. Viera did not deign to answer this question.

4. Carlos Antonio Carrasco, the National Director for Education Planning, [visited WUSLAB/1] on [9] April 1970. Carrasco claimed that the Bolivian government is in a period of stalemate. There is progress being made in only two fields. One of these is planning and the other is education. The Minister of Education Mariano Baptista has more power than some of the other ministers.

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The education budget has been increased, and he has some say in the selection of the Ministry of Education's personnel. Even though the military blocked appointments for Maria Elba Gutierrez and Professor Chavez they are still in the ministry; Chavez in the "Instituto Normal" and Maria Elba as Secretary General of the Ministry (the third ranking post in the ministry.) Baptista has good relations with the United States which is helping the education program. The cabinet seems to be rather stable at the moment, although there continues to be pressure to remove Rolon Anaya and Marcelo Quiroga. The latter is a candidate to replace Juan Lechin Oquendo as the secretary general of the union organization. The strongest military man in the government from the standpoint of firmness is Edmundo Valencia, the Minister of National Economy.

5. The civilian cabinet members believe that the United States is happy with them. They think that the military are incapable of running the government. There has been no indication of a ^{scandal} ~~scandal~~ among the cabinet members. There is also a freeze on Bolivian-US relations. The military continues to be worried because there is not a political party behind the government. Some of the civilians wanted to gain the support of the MNR, but the military did not want to do that.

6. Carrasco gave one example of the military-civilian interplay: The Minister of Education Baptista wanted the education bill signed on 9 April 1970 which is the anniversary of the 1952 revolution. Valencia opposed it because it was the anniversary. Colonel Juan Ayoroa continues to be opposed to the return of MNR people to the government.

7. Hernan Siles when he was in Bolivia saw Losada, Baptista, and twice saw Ovando. The reason for his removal from the country is as follows: Arellano denounced Siles to General Torres and gave him some written material on a plot. Torres then announced that there was a plot set for 9 April. Colonel Ayoroa called Siles in and said that he had to leave Bolivia within four days. The government wanted him out of the country on 9 April. Ayoroa told Siles that he could return to Bolivia on 10 April. Carrasco received the above story from Siles to whom he talked many times. Ovando believes that Siles is no longer interested in governmental power. He is interested in the MNR, and he does want to destroy the political power of Victor Paz Estenssoro. While in Bolivia Siles alienated Serate-Reich, Arellano, etc. Siles attributes to Arellano his betrayal to the government.

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9. The arrival of the Soviet Ambassador has produced good consequences according to Carrasco. Relations are smoother with the American ambassador. The Bolivians feel freer to be more friendly knowing there is someone else to turn to. The Soviet presence is a sop to placate the left in Bolivia. It serves as a substitute for the lack of leftist participation in the government. Ovando may use the Soviets as the need arises, just as he will try and use the Americans.

11. Plans: [WUSLAB/1] will be returning to limited office work the week of [13th April]. I promised to call him during the week. (A cable was sent on the Viera information on 10 April.)

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